(b) whether it is a fact that the actions of searches are always taken in the closing month of financial year; and

(c) if so, the details of cash, ornaments and jewellery seized and actual gain to the revenue on accounts of payment of tax-advance tax subsequent to the search?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) The total number of search operations carried out by the Intelligence Wings of the IT Department during the period from 1st April, 2006 to 28th February, 2007 are 453 group of cases. The search operations carried out in the States of West Bengal, Tamil Nadu, Uttar Pradesh, Maharashtra and Gujarat are 18,53,10, 126 and 47 group of cases respectively.

(b) No, Sir. The observation that the actions of searches are always conducted in the closing month of the Financial Year is not correct as searches are conducted throughout the year.

(c) Not applicable in view of reply at (b) above.

Growth rate of economy

332. SHRIMATI N.P. DURGA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that India has become a US $1.1 trillion economy and thereby become one of the 11 powerhouses that enjoy this distinction;

(b) how could it be possible within a span of 5 years taking into consideration that India's GDP in 2000-01 was below US $ 500 billion; and

(c) to what extent the strong rupee helped India to become a trillion economy?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) to (c) As per the Revised Estimates released by the Central Statistical Organisation (CSO) the Gross Domestic Product of India at current market prices for the year, 2006-07 was Rs. 41,25,725 crore. This is equivalent to US Dollar 912 billion at an average exchange rate of Rs. 45.25 per US Dollar for 2006-07. In 2000-01 the GDP at current market prices was Rs. 21,02,376 crore equivalent to US Dollar 460 billion at the average exchange rate of Rs. 45.68 per US Dollar in 2000-01. The GDP at current market prices in US dollar terms grew at a compound annual rate of 12.1 per cent during this period.

Appreciation of Rupee

333. SHRI SYED AZEEZ PASHA: Will the Minister of FINANCE be pleased to. state:

(a) whether it is a fact that the rupee has appreciated by over 6 per cent during the year, 2006-07 which has hit the growth of exports and economy;

(b) if so, the details thereof;

(c) whether a Government panel was set up to discuss the impact of the appreciation of Indian rupee on the economy and suggest measures to tackle it; and

(d) if so, the details of its findings and measures taken to tackle the problem?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) Rupee has been appreciating on monthly basis against the US dollar from September, 2006 onwards. Over the full year, 2006-07, the rupee depreciated by 2.2 percent against the US dollar, while GDP grew by 9.4 percent and exports by 21 percent in US dollar terms.

(c) The rupee appreciation has been higher in the current financial year at 8.9 per cent in July, 2007 over March 2007, while exports grew by 18.1 per cent in April-June, 2007 in US dollar terms. In order to assess the impact of rupee appreciation on exports and to suggest measures to maintain India's export competitiveness, Ministry of Commerce and Industry constituted a committee.

(d) As per the findings of the Committee, while the importers and borrowers in foreign currency are not entirely unhappy with the appreciation of the rupee vis-a-vis the US dollar, generally, the exporters have seen their profit margins erode as a result of the appreciation of the rupee. The committee has made a series of recommendations for immediate relief to the exporters.

The Government has announced a relief package to exporters comprising enhanced Duty Entitlement Passbook (DEPB) rates, reduction in Export Credit Guarantee Corporation (ECGC) premium, release of Rs.600 crore for clearing all arrears of terminal excise duty and Central Sales tax reimbursement, enhancement of duty drawback rates and reduction in interest rates on pre and post shipment credit.

Special Oil Bonds to Oil Companies

334. SHRI RAHUL BAJAJ: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the figure of petroleum subsidy for the year, 2006-2007 of Rs 2785.43 crores given in the Expenditure Budget, 2007-08 include the amount of special oil bonds issued to oil marketing companies.

(b) if not, then what is the value of such bonds issued during 2006-07;

(c) For what other expenditure during, 2006-07 have similar special bonds been issued and of what value; and

(d) whether these not give an inaccurate picture of the fiscal deficit, if these are treated as part of the fiscal deficit what would the revised figures of fiscal deficit for the year, 2006-07 be and would it exceed the target?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) No, Sir. This amount does not include the Special Securities issued to Oil Marketing Companies.

(b) The amount of Special Securities issued to Oil Companies during, 2006-07 is Rs. 24,121 crore as against the provision of Rs. 24,150 crore approved through the Supplementary Demands for Grants voted by Parliament.